

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA

**CHANGES TO THE FEDERAL RULES
OF BANKRUPTCY PROCEDURE
EFFECTIVE 12/1/08**

A number of changes to the Federal Rules of Bankruptcy Procedure become effective on December 1, 2008. Most of the changes are the result of the national Interim Rules, which were adopted in the Southern District by General Order 05-0002, becoming permanent rules. This notice highlights changes to the Interim Rules and several completely new Rules. This notice is not intended to be exhaustive, and should not be relied upon for accuracy or completeness. To read more about the new rules, go to <http://www.uscourts.gov/rules/supct0408.html> .

1005: Caption of Petition - The rule wasn't in the Interim Rules. Provides that only last four digits of individual debtor's taxpayer identification number is to be listed. Also requires disclosure of names used in last eight years - up from six.

1007: Lists, Schedules, Statements - Minor changes to Interim Rule limit extensions of time for small business debtors to file case documents and add requirement in Chapter 15 business cases of a list of ongoing litigation. In addition, all individual debtors, even those whose debts aren't 'primarily consumer', would be required to file the statement of current monthly income.

1010: Service of Involuntary Petition and Summons and 1011: Responsive Pleading or Motion in Involuntary Case - Interim Rule amended to require that corporate petitioning creditors and corporate alleged debtors file a corporate ownership statement.

1011: Responsive Pleading in Involuntary and Cross Border Cases - Added requirement of corporate ownership statement by alleged debtor or entity seeking recognition of foreign proceeding.

2015.3: Reports of Financial Information on Entities in Which a Chapter 11 Estate Holds a Controlling or Substantial Interest - This new rule will impact individuals in Chapter 11. It requires the filing of 'periodic' financial reports (one before the first meeting, and then at least semi-annual) on "the value, operations, and profitability of each entity that is not a publicly traded corporation or a debtor in a case under title 11, and in which the estate holds a substantial or controlling interest." An entity in which the estate holds a 20% or greater interest is presumed to be one in which the debtor-in-possession has "a substantial or controlling interest." This presumption is rebuttable, however. The DIP or trustee has to give notice of the fact that these reports will be

filed, and that notice goes to the entity involved AND to all holders of an interest in that entity who are known to the DIP/trustee.

4003: Exemptions - The general deadline for filing objections to exemptions is extended from 30 to 60 days after the first date set for the meeting of creditors. A new subparagraph (2) provides that a trustee can object to a claim of exemption at any time prior to one year after the closing of the case if the debtor fraudulently asserted the exemption.

4008: Filing of Reaffirmation Agreement; Statement in Support of Reaffirmation Agreement - The Interim Rule is changed to require that the reaffirmation agreement deadline is 60 days after the first date set for the meeting of creditors - significantly earlier than the old deadline of 30 days after entry of discharge.

8001: ... Certification to Court of Appeals - The rule is amended to add a subparagraph (f)(5) that requires the party or parties involved in a matter certified to the Circuit Court to file, within 30 days after the certification has become effective, a petition for permission to appeal in accordance with Fed.R.App.P. 5.

New Official Forms:

- B25A: Plan for Small Business Cases
- B25B: Disclosure Statement for Small Business Cases
- 25C: Small Business Monthly Operating Report
- 26: Periodic Report Concerning Related Entities

November 10, 2008

/s/ Kevin P. Dempsey
Clerk